

# STATE OF MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

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#### FOR IMMEDIATE RELEASE

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# Michigan's October Jobless Rate Continues Downward Trend

Lansing – Michigan's seasonally adjusted unemployment rate for October edged down by a tenth of a percentage point, to 3.9 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's labor force was flat over the month, while total employment inched up by 2,000 in October. The number of unemployed declined by 2,000 over the month.

Michigan's October 2018 jobless rate was eight-tenths of a percentage point below the state's October 2017 rate of 4.7 percent. Over the same period, the national jobless rate declined by four-tenths of a percentage point, to 3.7 percent in October. The state's unemployment rate was two-tenths of a percentage point above the national rate. The U.S jobless rate remained unchanged over the month.

"Michigan's job market trends were stable in October," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives, "While the state labor force was relatively unchanged over the year, the number of unemployed and the jobless rate have fallen significantly."

# Monthly Labor Force Trends & Highlights

- Michigan's October jobless rate was the lowest recorded by the state since October of 2000.
   However, Michigan's workforce in October 2018 was approximately 266,000 below that of the state in October 2000.
- During the first ten months of the year, total Michigan employment rose approximately 31,000 while the number of unemployed declined by nearly 40,000.
- Total unemployment fell by 17.7 percent since October 2017, the largest over-the-year reduction recorded so far this year.
- Michigan's unemployment rate was down by eight-tenths of a percentage point since the beginning of the year, a change double that of the nation during the same period.
- Michigan's total employment edged up by 0.6 percent over the year, a rate well below the nation's at 1.8 percent.

# MICHIGAN Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

|                      | October | September | October |        |      |
|----------------------|---------|-----------|---------|--------|------|
|                      | 2017    | 2018      | 2018    | Change |      |
|                      |         |           |         | Month  | Year |
| Civilian Labor Force | 4,902   | 4,892     | 4,892   | 0      | -10  |
| Employment           | 4,670   | 4,698     | 4,700   | 2      | 30   |
| Unemployment         | 232     | 193       | 191     | -2     | -41  |
| Rate (Percent)       | 4.7     | 4.0       | 3.9     | XXX    | XXX  |

# Detroit Metropolitan Area's October Jobless Rate Unchanged

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in October exhibited no change over the month, remaining at 4.0 percent. This, along with September, was the lowest jobless rate recorded in the region so far in 2018 and was the area's lowest rate since June 2017. Over the month, the Detroit MSA's total employment level increased by 2,000 while the number of unemployed remained unchanged. Over the year, Detroit's labor force declined by 6,000 while total employment edged up by 2,000 and total unemployment dropped by 10,000.

# Detroit-Warren-Dearborn MSA Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

|                      | October | September | October |        |      |
|----------------------|---------|-----------|---------|--------|------|
|                      | 2017    | 2018      | 2018    | Change |      |
|                      |         |           |         | Month  | Year |
| Civilian Labor Force | 2,120   | 2,112     | 2,114   | 2      | -6   |
| Employment           | 2,027   | 2,027     | 2,029   | 2      | 2    |
| Unemployment         | 94      | 84        | 84      | 0      | -10  |
| Rate (Percent)       | 4.4     | 4.0       | 4.0     | XXX    | XXX  |

(more)

# October Payroll Jobs Increase Slightly

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs edged up in October by 4,000 to 4,442,000. Modest job gains in October occurred in *Manufacturing* (+2,000) and *Government* (+2,000), The most pronounced industry job cut was seen in *Education and health services* (-2,000). Other major industry sectors recorded minor job change in October.

## Industry Employment Trends and Highlights

- Payroll jobs in the state rose in October to the highest level of the year.
- In 2018, Michigan payroll jobs advanced in eight of the first ten months.
- Construction registered the largest over-the-year job gain on a percentage basis out of all major industries, up by 6.1 percent since October 2017.
- Manufacturing jobs in Michigan have been trending upward since May, recording a 2018 high of 626,000 jobs in October. Within Manufacturing, the state's Transportation equipment manufacturing sector recorded 192,000 jobs in September and October, the highest level of the year.
- From October 2017 to October 2018, payroll jobs in Michigan increased by 62,000 or 1.4 percent, which lagged behind the national growth rate of 1.7 percent over this period. The most pronounced numerical job gains in Michigan over the year were in *Professional and business services* (+14,000), *Manufacturing* (+11,000), *Construction* (+10,000), and *Leisure and hospitality services* (+9,000).

# MICHIGAN Payroll Employment Estimates

Seasonally Adjusted (Data in Thousands)

|                                   | <u>October</u> | September* | October**   | CHANGE***    |             |
|-----------------------------------|----------------|------------|-------------|--------------|-------------|
|                                   | <u>2017</u>    | 2018       | <u>2018</u> | <u>MONTH</u> | <u>YEAR</u> |
| Total Nonfarm Payroll Jobs        | 4,380          | 4,438      | 4,442       | 4            | 62          |
| Natural Resources & Mining        | 7              | 7          | 7           | 0            | 0           |
| Construction                      | 164            | 175        | 174         | -1           | 10          |
| Manufacturing                     | 615            | 624        | 626         | 2            | 11          |
| Transportation Equipment          | 187            | 192        | 192         | 0            | 6           |
| Trade, Transportation & Utilities | 789            | 790        | 791         | 1            | 3           |
| Retail Trade                      | 474            | 470        | 469         | 0            | -4          |
| Information                       | 56             | 55         | 55          | 0            | -1          |
| Financial Activities              | 219            | 221        | 221         | 0            | 2           |
| Professional & Business Services  | 647            | 659        | 660         | 1            | 14          |
| Education & Health Services       | 669            | 679        | 677         | -2           | 8           |
| Leisure & Hospitality Services    | 435            | 443        | 445         | 1            | 9           |
| Other Services                    | 169            | 173        | 173         | 0            | 4           |
| Government                        | 610            | 611        | 612         | 2            | 3           |

<sup>\*</sup> Final data for September 2018

# **Hours & Earnings for Production Workers**

Seasonally Adjusted

# **Manufacturing**

|                                 | October    | September  | October    | CHANGE                   |         |  |  |  |
|---------------------------------|------------|------------|------------|--------------------------|---------|--|--|--|
|                                 | 2017       | 2018       | 2018       | <u>MONTH</u> <u>YEAF</u> |         |  |  |  |
| Average Weekly Earnings         | \$905.83   | \$942.47   | \$921.00   | -\$21.47                 | \$15.17 |  |  |  |
| Average Weekly Hours            | 43.4       | 43.4       | 42.5       | -0.9                     | -0.9    |  |  |  |
| <u>Transportation Equipment</u> |            |            |            |                          |         |  |  |  |
| Average Weekly Earnings         | \$1,156.78 | \$1,242.42 | \$1,197.71 | -\$44.71                 | \$40.93 |  |  |  |
| Average Weekly Hours            | 47.9       | 48.5       | 46.8       | -1.7                     | -1.1    |  |  |  |

<sup>\*\*</sup> Preliminary data for October 2018

<sup>\*\*\*</sup> Change calculated using unrounded data